

# Fact Sheet



## Medicare Rx Discount Card

This fact sheet is designed to help you assess available options. It does not imply endorsement of any option by the Washington State Office of the Insurance Commissioner or SHIBA HelpLine.

*The Medicare Modernization Act set up new prescription drug benefits. Some begin in 2006. This page covers the “transitional benefits” available from June 2004 through December 2005.*

### Get the new Medicare Rx discount card?

**If your income is less than \$12,569 (\$16,862 for couples), the answer is probably YES.**

You can get the card for FREE *and* get \$600 each year to spend on your prescription drugs.

- Your card is free if your income is under \$12,569 (\$16,862 for couples) and you have no other prescription drug coverage through Medicaid, military (TRICARE) or employer plans. There is no asset test for this benefit.

(You won't qualify for the \$600 low income credit if you have outpatient drug coverage through Medicaid, TRICARE, group health insurance, or Federal Employee Health Benefits.)

- If you qualify, Medicare will pay your card fee (up to \$30 per year, depending on card), and give you a credit of \$600 a year to pay for your prescription drugs in 2004 and 2005. (This \$600 can be used to pay for any drug, not just those on the list discounted by your card.)
- You need to fill out a special combined enrollment form that applies for both the credit and the discount card. You should find out within two weeks if you are eligible. If you are denied, you can appeal to Medicare.  
The official applications are at: [www.cms.hhs.gov/discountdrugs/forms/](http://www.cms.hhs.gov/discountdrugs/forms/)
- Some drug companies may offer free prescription drugs to cardholders even after the \$600 credit is spent. Ask your SHIBA HelpLine volunteer.
- If you qualify for this prescription credit, you might also qualify for the Medicare Savings Programs. These pay the Medicare Part B premium now taken out of your Social Security check. (QMB also pays your Medicare Part A premium, and hospital co-pays and deductibles.)  
Ask your SHIBA HelpLine volunteer how to apply.

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**If your annual income is over \$12,569 (\$16,862 for couples), the answer is: MAYBE.**

- You are not eligible if enrolled in a Medicaid program with drug coverage (except if it is the Medically Needy program and you are in the spend-down phase).
- If you have coverage through a Medigap H, I, or J plan, you can use the Medicare Rx card with those plans.
- If you already get good discounts on your drugs, decide if the amount saved with a Medicare Rx card will be worth an enrollment fee (of up to \$30). See SHIBA HelpLine's fact sheet *Paying for Prescription Drugs* to explore all your options. Publications are available at [www.insurance.wa.gov/consumers/shiba/default.asp](http://www.insurance.wa.gov/consumers/shiba/default.asp). Or check with [www.benefitscheckup.org](http://www.benefitscheckup.org).
- Compare the Medicare cards. Call 1-800-MEDICARE, or run the Prescription Drug and other Assistance Program (PDAP) at [www.medicare.gov](http://www.medicare.gov) to see drug prices by card. **NOTE:** Not every card gives discounts on every drug; check to see which card gives the best prices on the drugs *you* take.
- Not every pharmacy accepts every card; check with your pharmacy to see which cards they accept.
- If you are a member of a Medicare Advantage (formerly called Medicare +Choice) plan, your choice may be limited to the Medicare card(s) offered by your plan. Check with your plan for information.

You can buy any Medicare discount card offered in your state between June 2004 and December 2005. If you are not satisfied with your first choice, you can switch during the period from November 15–December 31, 2004. Your new card will become active in 2005. If you are satisfied with your first choice, you can keep it through Dec. 31, 2005 (the card's annual fee, if it has one, will be due again for 2005).

**Call SHIBA HelpLine for more information. Volunteers can answer your questions and help with the paperwork. The call is *free* and the service is free, impartial and confidential.** Call 1-800-397-4422.

Also check for SHIBA HelpLine's special Medicare Rx page under "Hot Topics" at [www.insurance.wa.gov](http://www.insurance.wa.gov).

## SHIBA HelpLine

**Statewide Health Insurance Benefits  
Advisors HelpLine**

**1-800-397-4422**

**TDD: 1-360-664-3154**

Expertly-trained volunteer counselors assist and advocate for consumers regarding **health insurance, health care access, and prescription access**. Individualized and group assistance offered in Washington communities statewide, educating on rights and options, private insurance, public programs, policies, billings, appeals, and more.

[www.insurance.wa.gov/consumers/shiba/default.asp](http://www.insurance.wa.gov/consumers/shiba/default.asp)

## Consumer Advocacy

**Insurance Commissioner's  
Toll-Free Hot Line**

**1 (800) 562-6900**

**TDD: 1-360-586-0241**

Expert professional staff answer questions and educate consumers regarding problems with any kind of insurance or insurance company—**auto, life, disability, health, homeowner/tenant, or other**. Staff have the authority to investigate complaints against insurers and agents, and enforce insurance law on behalf of consumers.

[www.insurance.wa.gov](http://www.insurance.wa.gov)